

# City of San Antonio

## 5 year Contracting Diversity Action Plan

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Vision: City contracts will mirror the diversity of the San Antonio business community.

### Overview

**Goal 1: Increase the number of minority and woman-owned firms in the City's Central Vendor Registry (CVR) to better reflect their ability in the broader marketplace.**

**Goal 2: Increase the participation of minority and woman-owned firms as prime contractors/consultants and subcontractors/subconsultants on contracts as necessary to address their underutilization in the marketplace.**

### Background

In order to develop a basis of the types of programs that might be available for the City of San Antonio to implement, the Economic Development Department (EDD) researched best practices from nine locations including: Richmond, VA; Los Angeles, CA; Charlotte, NC; Cincinnati, OH; St. Louis, MO; Atlanta, GA; Houston, TX; Dallas, TX and Austin, TX.

This is a comprehensive plan for all minority groups as follows: African American Business Enterprises (AABE), Asian Business Enterprises (ABE), Hispanic American Business Enterprises (HABE), Native American Business Enterprises (NABE) and Woman-owned Business Enterprises (WBE). The initial efforts begin with AABE and ABE firms and will expand to the other groups.

The Capital Improvements Management Services Department (CIMS) will provide a quarterly report to City Council on the progress of this action plan. Fair Contracting Coalition (FCC) will review quarterly reports and provide input prior to each report to City Council. City staff and FCC will develop performance measures for the plan. City staff will ensure proper training on this plan for any new City Council Members.

### Plan

**Goal 1: Increase the number of minority and woman-owned firms in the City's Central Vendor Registry (CVR).**

Strategy A: Identification of Small/Minority/Woman-owned businesses

	Objectives/Steps:	Timeline/Responsible Party:
1.	Designate two staff persons as a Diversity Outreach Coordinators (one in CIMS and one in EDD/SBO).	Completed by CIMS & EDD November 2012
2.	Hire a marketing firm to develop a targeted media campaign, to include designated media outlets such as: KROV Radio, San Antonio Observer, San Antonio Register, and La Prensa. Fair Contractors Coalition (FCC) to identify marketing firms to The City of San Antonio for outreach. FCC requesting the City of San Antonio to submit 5 yr marketing plan of action.	CIMS & EDD December 2012
3.	Coordinate with other local government entities (Bexar County, SAWS, CPS) to secure minority and woman business vendor lists.	CIMS & EDD Begin October 2012

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4.	Request input from minority and women community leaders to identify minority and women businesses.	CIMS & EDD Begin October 2012 On-going process for CIMS & EDD
5.	Make presentation at Alamo Area Black Chamber of Commerce meetings, Asian Chamber of Commerce Meetings, Hispanic Chamber of Commerce, Hispanic Contractor's Association, Plumbers & Pipefitters, American Institute of Architects, Professional Engineers in Private Practice, Civil Engineering Council, Association of General Contractors, Association of Building Contractors and meetings of other groups, as identified.	On-going process for CIMS & EDD
6.	Host a vendor registration and certification outreach event	May 2013 CIMS & EDD
7.	Survey newly identified firms to find out what are the barriers to them doing business with the City of San Antonio.	CIMS Begin October 2012 Ongoing process for CIMS & EDD
8.	City of San Antonio will promote the inclusion of one (1) seat on the Economic Development Foundation board for a representative of San Antonio for Growth on the East side (SAGE) with the intent that the SAGE seat would be filled by an African American Business Owner.	EDD discussing with EDF January 2013

#### Strategy B: Vendor Certification and Registration

	Objectives/Steps:	Timeline/Responsible Party:
1.	Ensure all businesses certified with the South Central Texas Regional Certification Agency (SCTRCA) eligible and interested in City contracts are uploaded into City of San Antonio's Central Vendor Registry (CVR)	January 2013 EDD
2.	Assist newly identified businesses with certification by SCTRCA	Begin October 2012 CIMS & EDD
3.	Assist newly identified businesses with CVR registration	Begin October 2012 CIMS & EDD

#### **Goal 2: Increase the participation of minority and woman-owned firms as prime contractors/consultants and subcontractors/subconsultants on contracts.**

#### Strategy A: Effective solicitation planning

	Objectives/Steps:	Timeline/Responsible Party:
1.	The City will strive for diversity in the development of evaluations committees.	Begin October 2012
2.	Goal Setting Committees will review individual contracts and maximize	Current and on-going

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	prime contractor incentives and subcontracting goals.	/ EDD
3.	Provide opportunities for small firms to participate as prime consultants/contractors under on-call type contracts.	Current and on-going / CIMS
4.	Debundle contracts to allow smaller contracts to be made available.	On-going / EDD, CIMS and Purchasing
5.	Review insurance requirements on a contract by contract basis with the approval of Risk Management. This will allow for smaller contractors to be able to afford a lesser amount of insurance limits for lower risk projects. Language will be added to specific solicitations to explain to firms that insurance language may be negotiable.	On-going  CIMS, Purchasing, & Risk Management
6.	Fair Contracting Coalition will provide recommendations for Goal Setting Committee Membership as vacancies occur.	On-going FCC and EDD
7.	Extend Solicitations deadlines on a case by case basis when it is determined that more time is needed for small, minority or woman owned firms to respond.	November 2012 CIMS and Purchasing

Strategy B: Build capacity and encourage Small/Minority and Woman-owned businesses to respond as prime contractors/consultants

	Objectives/Steps:	Timeline/Responsible Party:
1.	Create a City-mailer/email blast and regular mail to highlight: <ul style="list-style-type: none"> <li>o Training, presentations, and Meet &amp; Greets</li> <li>o Solicitations/contracting opportunities</li> <li>o Successful projects with S/MWBE business participation</li> <li>o New and emerging businesses in San Antonio</li> </ul>	On-going/ regular mail January 2013
2.	Develop the CIMS Small Business Office website to better serve as an outreach tool. The website could include links to the procurement website but also websites for other organizations such as NAACP, Alamo City Black Chamber, Hispanic Chamber, Asian Chamber, AGC, ABC, HCA, etc., and request reciprocity from those groups.	Web site design complete by February 2013
3.	Execute a Memorandum of Understanding with UTSA Small Business Development Center, Contracting Resource Center, and Procurement and Technical Assistance Center to provide training in both fundamental business development, along with specific assistance on completing City solicitation forms. The following training are planned: <ul style="list-style-type: none"> <li>• Proposal Writing</li> <li>• Construction Cost Estimating</li> <li>• Cost Proposals</li> <li>• Quality Control Management</li> <li>• Project Management</li> <li>• Wide Area Work Flow</li> <li>• Government Terminology</li> <li>• Protest, Disputes, Claims and Appeals</li> </ul> <p>In addition, UTSA/SBDC offers specialization classes in Human Resources,</p>	MOU to be executed December 2012 by UTSA and City  Services will be On-going provided by UTSA in coordination with EDD/CIMS

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	<p>Emergency Preparedness and for Veterans transitioning into entrepreneurship including, women owned small business. Speciality topics consist of:</p> <ul style="list-style-type: none"> <li>○ Employment Lifecycle (Creating Fair and Legal Policies to Recruit, Hire Develop and Terminate Employees)</li> <li>○ Job Descriptions and Performance Appraisals</li> <li>○ Employee Handbook Clinic</li> <li>○ Franklin Covey 7 Habits for Small Business Managers</li> <li>○ Emergency Preparedness for Your Small Business</li> <li>○ Disaster Resiliency</li> <li>○ Veterans Boot Camp</li> <li>○ Certifying Your Veteran Owned Business</li> <li>○ Veterans Business Symposium</li> <li>○ Women Owned Small Business (8m) Workshop</li> </ul>	
4.	Through the CIMS Scorecard, provide productive feedback during the life of the contract so that small firms can grow and improve	On-going CIMS
5.	Upon request, debrief unsuccessful firms to point out what areas they could improve	Current and on-going CIMS and Purchasing
6.	Implement a quick pay process to help firms with cash flow. CIMS will allow firms to submit invoices on a weekly basis and will strive to pay invoices within 21 days (current term of contract is 30 days).	November 2012 and on-going CIMS
7.	Actively recruit M/WBE businesses to participate in the City's Bonding Assistance and Mentor Protégé Programs which include individual business counseling and the following technical assistance courses: Business Plan Development, Business Plan Financials, Sustainable Business Practices, Access to Capital, Legal, Bonding and Risk Management, Workplace Safety, QuickBooks, Credit Repair, Becoming a Prime Contractor, Government Contracting, Technical Proposal Writing, Project Management, Marketing, Human Resources, and Construction Cost Estimating	On-going EDD and CIMS
8.	Review purchases under \$50,000 as a part of the next disparity study and promote the use of M/WBE firms for these contracts.	TBD – Disparity study begin Oct 2013 / EDD
9.	After local African American, Asian American and Native American firms have been exhausted and goals not attained, seek qualified African American, Asian American and Native American firms from other cities to serve as mentors or to encourage as joint ventures with local African American, Asian American and Native American firms. CoSA to solicit these firms from other cities with the expectation that a contracted firm will utilize a majority local workforce and meet all small and minority business goals required by the contract. This will help grow local African American, Asian American and Native American firms in targeted industries.	Ongoing - FCC, CIMS and EDD
10.	Hold appropriate City Executives accountable for implementing the diversity plan and affecting disparity in contracting.	City-wide

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Strategy C: Continued implementation and review of the SBEDA ordinance.

	Objectives/Steps:	Timeline/Responsible Party:
1.	Begin a stakeholder input process to consider potential modifications to the SBEDA Ordinance, including the extension of a Joint Venture Program for Architecture/Engineering and construction contracts and the feasibility of CoSA including the utilization figures for out of town M/WBE firms who joint venture with local M/WBE firms toward the achievement of aspirational goals. Potential modifications will be submitted to the next disparity study consultant for analysis and recommendation.	TBD – data to be reassessed in May 2013  EDD
2.	Determine whether minority prime firms are at a disadvantage due to being required to subcontract their own work and make adjustments as necessary to ensure opportunities for minority firms as both prime and subcontractor. Also determine whether there is a sufficient evidentiary basis to conclude that marketplace discrimination is adversely affecting the ability of M/WBE prime contractors to compete for prime contracts, and whether, on balance, permitting M/WBE prime contractors to self-perform a larger share of their prime contracts than is permitted for non-M/WBE prime contractors would not unduly diminish or restrict subcontract opportunities for M/WBE subcontractors.	Disparity Study to begin Oct 2013 EDD
3.	Include language in solicitations that encourage greater diversity.	January 2013 EDD
4.	Begin a stakeholder input process to consider potential modifications to the SBEDA Ordinance, including the extension of a Joint Venture Program for Architecture/Engineering and construction contracts, with a goal of submitting potential modifications to the disparity study consultant for analysis and recommendation.	Begin February 2013 - EDD
5.	In the event that a large firm with no minority participation is awarded a contract the CoSA will encourage that large firm to utilize minority firms as subcontractors.	December 2012 CIMS & Purchasing

*Strategy D:* Build capacity and encourage Small/Minority and Woman-owned businesses to participate as subcontractors/subconsultants

	Objectives/Steps:	Timeline/Responsible Party:
1.	Provide list of S/M/WBE businesses available to serve as subconsultants to prime consultants during contract negotiations of 2012-2017 Bond Projects and encourage use of diverse subconsultants.	Begin October 2012 CIMS
2.	CIMS Small Business Staff will attend scoping meetings and contract negotiations for CIMS contracts and assist in pairing scoped work with available S/M/WBE firms.	Begin October 2012 On-going process CIMS
3.	Host quarterly “meet the primes” events, which will include individual meetings between 2012 Bond consultants and potential S/M/WBE	Begin January 2013

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	businesses available to participate as subconsultants.	On-going CIMS
4.	Ensure on-call contractor/consultant receive sufficient task orders to demonstrate their capabilities and develop successful performance records on City contracts.	On-going CIMS
5.	Host quarterly trainings on various rotating topics to include: bonding and insurance, accessing capital, accessing equipment, subcontractor rights and responsibilities, legal, accounting, and City contract requirements, (prevailing wage and diversity program monitoring).	Begin January 2013 CIMS
6	CoSA will coordinate with UTSA to host quarterly training on how to answer solicitation for bid request.	January 2013 UTSA, CIMS, Purchasing and EDD
7.	Monitor and verify payments made to subcontractors within 10 working days of City payment to prime.	Current and On-going process CIMS & EDD

#### Strategy E: Focus on workforce and youth development in San Antonio

	Objectives/Steps:	Timeline/Responsible Party:
1.	Request that our prime consultants and contractors hire high school and college students as interns and provide training to them.	Current and on-going CIMS
2.	Work with Workforce Solutions Alamo and firms that already have contracts with the City to provide more training opportunities for youth.	Begin January 2013 CIMS
3.	Review composition of workforce under city construction contracts. After assessment, if certain minority groups are underrepresented, City will develop a strategy to promote diversity.	Begin February 2013

#### Strategy F: Develop a program for assisting with accessing capital and bonds.

	Objectives/Steps:	Timeline/Responsible Party:
1.	<p>Access to Loans and Lines of Credit</p> <p>A. ACCION will make lines of credit available to City of San Antonio prime contractors.</p> <p>B. Frost Bank is working on a line of credit product for firms that are beyond the ACCION scope of work as outlined in the plan. A meeting will be convened of local bank leadership by Frost leadership to inform them of this ongoing effort, discuss the potential product and obtain other partner banks to allow opportunity of choice for small businesses wanting to work under this plan. This will be a 6-month pilot program to be evaluated after the six-month period. Tracking mechanisms will be put in place to monitor the program.</p>	<p>Begin January 2013</p> <p>EDD, ACCION, CIMS, FCC and Frost Bank</p>

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2.	<p>Bonding Assistance Program</p> <p>A. Participants that complete the City of San Antonio Bonding Assistance technical assistance curriculum or equivalent and are awarded a City contract will be eligible for a letter of credit from ACCION to increase the participant's bonding capacity.</p> <p>B. Secure support from other organizations to supplement ACCION's initial commitment of \$500,000 for this purpose, and to buy down customer fees and rates.</p> <p>C. City will provide training and a "Small business boot camp" consisting of 5 core courses and 10 electives.</p>	<p>January 2013</p> <p>EDD &amp; ACCION</p>
3.	<p>Secure commitments for grants for equipment and to subsidize cost of high-risk rate lending and cost of bond program oversight so that these additional costs aren't passed on to small businesses who will be unable to compete in a low-bid process since they would have to pay extra fees.</p>	<p>January 2013</p> <p>FCC</p>

### Document History

Name	Rev. #	Date	Comments
Fair Contracting Coalition	1	1/10/12	Changes to:
			Goal 1, Strategy A (Added Objective 8)
			Goal 2, Strategy B, Objectives 9 & 10
			Goal 2, Strategy C, Objectives 4 & 6
			Goal 2, Strategy E (Added Objective 3)
Frost Bank			Goal 2, Strategy F, Objective 1 D
City Legal Counsel			Goal 2, Strategy C, Objectives 1 & 2